GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2467
ANSWERED ON:08.08.2000
PERFORMANCE OF STEEL SECTOR
ANANTRAO GUDHE

Will the Minister of STEEL be pleased to state:

(a) whether the Government have recently reviewed the performance of public and private steel sector ;

(b) if so, the findings thereof;

(c) the details of cess collected under the Steel Development Fund and funds distributed therefrom; and

(d) the details of representations received from the main steel producers in this regard and the action taken thereon?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) & (b): Government reviews the performance of the public and private sector on a continuing basis. The trend of finished (carbon) steel production in the steel production in the public and private sector during the last 4 years was as under:-

(Quantity in million tonnes)

YEAR	PUBLIC SECTOR	PRIVATE SECTOR	TOTAL
1996-97	8.53(37.5%)	14.19(62.5%)	22.72
1997-98	8.54(36.5%)	14.83(53.5%)	23.37
1998-99	7.64(33.2%)	16.16(66.8%)	23.82
1999-2000	8.52(31.9%)	18.19(68.1%)	26.71

The percentage share of private sector in the production of finished (carbon) steel has increased rapidly since 1996-97 due to the commissioning of steel production capacity in the private sector as a result of liberalisation of the steel sector. This trend has continued in 1999-2000 also.

(c) The details of the cess collected under Steel Development Fund and fund distributed there from as on 31.3.99 are as under:-

Figures in crores

Particulars	SAIL	IISCO	TISCO	RINL
Cess Collected	3506.17	45.88	1013.79	27.03
Repayment of loan	3113.62	0.00	610.01	15.00
Interest on Loan	1609.49	0.00	302.29	1.00

Total Receipts = Rs.10404.94 crores

Disbursement to Main producers

Figures in crores

Particulars	SAIL	IISCO	TISCO	RINL
Loans	7873.98	44.68	1533.27	15.00

Total disbursements = Rs.10,325.90 crores

(d) A representation has been received from one of the main producers suggesting for restricting the use of the funds collected through cess to the contributors of the cess only. The matter also came up for hearing before the High Court Calcutta who have upheld these views.